

Message Text

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ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 EA-07 ISO-00 CIAE-00 COME-00

DODE-00 DOTE-00 FMC-01 INR-07 NSAE-00 SAL-01 CG-00

DLOS-06 OES-06 L-03 /057 W

----- 120125

R 032117Z DEC 76

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 5873

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

AMCONSUL RIO DE JANEIRO

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RIO FOR MARATT KINSELLA

E.O. 11652: N/A

TAGS: EWWT, VE

SUBJECT: MEETING ON FOREIGN-FLAG DISCRIMINATORY POLICIES
CONCERNING BERTHING PRIORITIES

REF: A) CARACAS 12813; B) CARACAS 11528; C) CARACAS 11237

1. SUMMARY: DUTCH EMBASSY REQUESTED MEETING
DIPLOMATIC REPRESENTATIVES OF MARITIME NATIONS
TO OBTAIN SUPPORT FOR PROTEST OF CONTINUING
FOREIGN FLAG DISCRIMINATION WITH REGARD TO
BERTHING PRIORITIES. THE CONSENSUS OF THE
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MEETING WAS TO HAVE EACH COUNTRY PRESENT A

FORMAL DIPLOMATIC NOTE EXPRESSING DISSATISFACTION WITH PRESENT 50/50 ARRANGEMENT (IN PRACTICE) AND TO SUPPORT ESTABLISHMENT OF A COMMITTEE CONSISTING OF CAVN, INP AND FOREIGN FLAG LINES TO REVIEW POLICY. REPRESENTATIVES AGREED "IN PRINCIPLE" TO SEND NOTES BUT STATED THEY HAD TO CHECK WITH FLAG LINES AND HOME OFFICES BEFORE DEFINITE ACCORD COULD BE REACHED. MEETING WILL BE SCHEDULED TO REVIEW PROCEDURES IF COUNTRIES RECEIVE PERMISSION FOR THIS ACTION. END SUMMARY.

2. ECONOMIC COUNSELOR OF DUTCH EMBASSY CALLED INFORMAL MEETING OF DIPLOMATIC REPRESENTATIVES OF 11 MARITIME NATIONS (NETHERLANDS, JAPAN, SWEDEN, CANADA, GREAT BRITAIN, BELGIUM, FRANCE, DENMARK, NORWAY, GERMANY, UNITED STATES) NOVEMBER 29 TO CONSIDER JOINT ACTION ON VENEZUELAN PORT AUTHORITIES DISCRIMINATION AGAINST FOREIGN FLAG CARRIERS. DUTCH STATED THAT PRESENT POLICY OF DIVIDING BERTH SPACE ON A 50/50 BASIS BETWEEN VENEZUELAN FLAG/CHARTER AND FOREIGN FLAGS WAS IN PRACTICE STILL DISCRIMINATORY AGAINST FOREIGN FLAGS, ESPECIALLY AT PUERTO CABELLO. HE SAID THAT OF SIX BERTHS AVAILABLE TO FOREIGN FLAGS ONLY THREE COULD BE USED AT ANY ONE TIME, SINCE ONE BERTH WAS RESERVED FOR SUGAR, ANOTHER FOR BULK CARGOS, AND WHENEVER A BERTH WAS UNDER REPAIRS IT WAS ALWAYS INCLUDED IN THE FOREIGN FLAG ALLOTMENT. BRITISH AND U.S. REPS POINTED OUT THAT 50/50 POLICY OF ITSELF WAS DISCRIMINATORY AS FOREIGN FLAG LINES CARRY 70 PERCENT OF THE CARGO. AT PRESENT, THE AVERAGE WAITING PERIOD FOR A SHIP AT PUERTO CABELLO AND LA GUAIRA IS 24 DAYS AT A COST OF \$6 - 8,000 PER DAY. IT WAS AGREED THAT DISCRIMINATORY POLICIES PRESENTLY LIMITED OFFICIAL USE

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EXIST AND THAT IN ONE FORM OR ANOTHER DISCRIMINATION HAS BEEN EXISTENT IN VENEZUELAN PORTS FOR A NUMBER OF YEARS.

3. CONSENSUS OF MEETING WAS THAT FORMAL DIPLOMATIC NOTES SHOULD BE PRESENTED TO GOV PROTESTING LATEST FORM OF DISCRIMINATION. DUTCH REP EMPHASIZED THAT NOTE SHOULD

BE "LOW PROFILE" AND SUGGESTED THAT IT INCLUDE PHRASING SUCH AS "WHILE WE REALIZE VENEZUELA HAS BEEN TRYING TO IMPROVE SITUATION, THE PRESENT 50/50 POLICY IS IN PRACTICE DISCRIMINATORY."

4. BRITISH EMBASSY REPRESENTATIVE SAID THAT IN TALKS WITH ADM. GUSTAVO BAUDET OF CAVN AND WITH FRANCISCO GUEVARA OF INP BOTH MEN HAD MENTIONED THAT THE ESTABLISHMENT OF AN ONGOING COMMITTEE MADE UP OF CAVN, INP, AND FOREIGN FLAG LINES TO REVIEW PORT POLICIES WAS BEING CONSIDERED. (BAUDET HAD RECEIVED THIS SUGGESTION FROM EUROPEAN LINES WHEN HE OUTLINED VENEZUELA'S PRESENT 50/50 POLICY AT RECENT WEST INDIA TRANSATLANTIC STEAMSHIP LINES CONFERENCE IN EUROPE.) IT WAS AGREED THAT SUPPORT FOR THIS "WATCHDOG" COMMITTEE SHOULD BE INCORPORATED IN THE NOTE. ALSO, IF THE NOTE EMPHASIZED PRESENT DISCRIMINATION AS A PART OF THE PORT CONGESTION PROBLEM RATHER THAN MARITIME POLICY PER SE, IT WOULD AVOID PROBLEMS THAT STEM FROM THE FACT THAT MOST WESTERN COUNTRIES LACK FEASIBLE MEANS OF RETALIATION TO DISCRIMINATION BY THIRLD WORLD COUNTRIES.

5. A JOINT DIPLOMATIC NOTE WAS REJECTED. PREFERENCE WAS FOR ALLOWING EACH COUNTRY TO USE OWN WORDING. U.S. AND BRITISH REPS EMPHASIZED THAT DESPITE THIS ARRANGEMENT ANOTHER MEETING SHOULD BE HELD ONCE COUNTRIES RECEIVED PERMISSION TO SEND THE NOTE. IT WAS AGREED THAT A COPY SHOULD BE SENT TO INP. LIMITED OFFICIAL USE

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6. COMMENT: WHILE VENEZUELA HAS RECENTLY MODERATED ITS DISCRIMINATORY PRACTICES (REFTEL C) THE NEW POLICY IS STILL BLATANTLY DISCRIMINATORY. AGENTS REPRESENTING U.S. FLAG CARRIERS (PRUDENTIAL LINES AND DELTA LINES) HAVE NOT PRESSED EMBASSY TO PROTEST. NEVERTHELESS, PRUDENTIAL'S AGENT HAS CONSISTENTLY SUPPLIED EMBASSY WITH INFORMATION CONCERNING VENEZUELA'S DISCRIMINATORY POLICIES AND HAS EXPRESSED SUPPORT FOR THE ESTABLISHMENT OF THE COMMITTEE DESCRIBED ABOVE. AGENTS REPRESENT VARIOUS INTERESTS, HOWEVER, AND THEIR VIEWS ON PORT DISCRIMINATION MAY NOT BE THE EXACT REFLECTION OF THEIR PRINCIPAL'S VIEWS. DEPARTMENT MAY THEREFORE WISH TO SEE VIEWS OF CARRIERS DIRECTLY.

7. EMBASSY BELIEVES IMPORTANT PRINCIPLES AT STAKE AND
IS PREPARED TO TAKE ACTION IF IT RECEIVES INSTRUCTIONS
TO DO SO. AS DEPARTMENT AWARE, EMBASSY HAS PREVIOUSLY
PROTESTED SPECIFIC INSTANCES OF BERTHING DISCRIMINATION
BY NOTE AND HAS RAISED OBJECTIONS INFORMALLY WITH
PORT AND OTHER GOVERNMENT AUTHORITIES ON MANY OCCASIONS.
FAILURE OF U.S. TO JOIN IN PROTEST WOULD BE INTER-
PRETED AS CHANGE IN U.S. POSITION AND WOULD WEAKEN
OUR HAND IF WE ARE AGAIN CALLED UPON TO PROTEST SPECIFIC
INSTANCES OF BERTHING DISCRIMINATION.
VAKY

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